



Millennium Challenge Albania

Threshold Agreement PROJECT FACT SHEET Improving Accountability, Transparency, Public Access, and Efficiency



Ramping up: Four days ahead of the National Registration Center grand opening, workers rush to complete entrance gate.

PHOTO: CHEMONICS INTERNATIONAL

MILLENNIUM CHALLENGE ALBANIA
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PROJECT DURATION :
September 2006-September 2008

U.S Agency for International Development
www.usaid.gov

OVERVIEW

The Government of Albania's two-year \$13.85 million threshold agreement with the Millennium Challenge Corporation (MCC, www.mcc.gov) aims to reduce corrupt practices, reduce the 'informal' economy, and improve the investment climate through a program of IT-based solutions, technical and legal assistance. If achieved, the program goals for improved tax administration, public procurement, and business registration will help qualify Albania for MCC compact status.

Tax Reform Component: Key initiatives include: new tax administration legislation for improved efficiency, more collections, and less tax inspector contacts; a Taxpayer Service Center for the Tirana region; a new and comprehensive tax web site for streamlined service and fewer visits to tax offices; and an e-filing and e-payment option for saving time and money, as well as for convenience.

Public Procurement Component: Key initiatives include building professional and IT capacity within the Public Procurement Agency to conduct transparent public procurements based on public access to a new web-based tender process and awareness of the new public procurement legal framework.

Business Registration Component: Key initiatives include a new business registration law and the creation of a 'one stop shop' National Registration Center that reduces entrepreneurs' time and costs required to register a new business.

RECENT HIGHLIGHTS:

- The Ministry of Finance announced 'discussion draft' of a tax procedures law that streamlines tax administration and provides legal basis for 'e-filing' and 'e-payment' of taxes -- available for public review, September 2007.
- 'E-procurement,' 'e-registration' 'e-filing,' systems are either in use or being tested by users. 'E-procurement,' when fully operational, will save the government administrative costs estimated at 12%-15% of the value of its total EUR 1.1 billion annual procurement bill.
- More than 600 public procurement officials received training from the Public Procurement Agency on the public procurement new law and regulations.
- National Registration Center (NRC) opened on September 3, 2007. NRC offers 'one-day, one-stop' service for business registration as well as tax, social insurance and labor registration, a process that averaged 47 days previously.